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STATEMENT OF THE HONORABLE WM. LACY CLAY
HOUSE GOVERNMENT REFORM SUBCOMMITTEE ON FEDERAL WORKFORCE AND
AGENCY ORGANIZATION
"HEALTHIER FEDS AND FAMILIES: INTRODUCING INFORMATION TECHNOLOGY
INTO THE FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM, A LEGISLATIVE
HEARING ON H.R. 4859, PART II."
JUNE 13, 2006

Let me begin by expressing my gratitude to you, Mr. Chairman, for inviting me to formally address the Federal Workforce Subcommittee this afternoon. It has been both an honor and privilege working with you on health IT issues, as I believe health IT has the potential to benefit our public health infrastructure for generations to come.

In 2003, the Institute of Medicine estimated our total national expenditures on health care to be approximately \$1.7 trillion of our economy. Much of this is driven by government efforts to make the provision of health care a public good for all to benefit from. Through programs such as Medicare and Medicaid, as well as insurance programs for federal employees, we have sought to provide equality among all individuals needing health care regardless of socioeconomic need or circumstances. From this perspective, I believe it is time for the federal government to lead in the development and adaptation of a nationwide health information network that can diminish such barriers and improve upon the quality of care provided to all of our citizens.

The widespread adoption of health information technology (IT) will provide a platform for delivering higher quality care more efficiently and economically than current paper-record based information systems. No better example of this can be offered than from my home state of Missouri, where Medicaid providers and chronically ill patients are working to develop Web-based collaborative medical records that will ensure improved case management and treatment options for participants.

Since the enactment of the Health Insurance Portability and Accountability Act of 1996, the adaptation of electronic health information among private industry has made significant progress. A recent report from the Center for Studying Health System Change validates this assessment, as recent surveys indicate that the number of doctors having access to information technology for key clinical activities, such as e-prescribing, has nearly doubled to about 20% since 2001.

Nevertheless, this is still only one-fifth of our nation's doctors, and more needs to be done in order to achieve widespread access across geographic and socioeconomic boundaries. Furthermore, vendor requirements for information security and stringent uniform privacy standards that exceed current HIPAA regulations must be established if patients are to have confidence in e-health solutions. The only way to achieve these outcomes, I believe, is through the leadership of the federal government. This is why I have partnered with Chairman Porter on legislation that will strengthen the federal government's role in health information technology.

I am a proud cosponsor of H.R. 4859, the Federal Family Health Information Technology Act of 2006, as authored by Chairman Porter. Simply put, this bill utilizes the market power of the federal government by establishing a process for the development of electronic health records for all federal employees. By utilizing our federal employee health benefits programs as a model for electronic health record adaptation, we are creating a model for consumers, employers, and insurers to build comprehensive electronic health records for all individuals.

I have also introduced H.R. 4832, the Electronic Health Information Technology Act of 2006, along with Chairman Porter. H.R. 4832 seeks to accomplish two major goals. First, it will codify the current Office of the National Coordinator for Health Information Technology at HHS, and preserve its role as the leading health information technology standard setting authority in the federal government. Second, the bill seeks to partner with the private sector through grants and a direct loan program that will provide key economic assistance for institutions seeking to expand their electronic health record capabilities.

If we continue our pursuit of utilizing IT throughout the health care delivery system, we are sure to experience shorter hospital stays, improved management of chronic disease, and a reduction in the number of needless tests and examinations administered over time. While it is not a panacea, I believe the creation of such a network will prove far more efficient in both economic and human terms than its financial costs.

This concludes my remarks, Mr. Chairman, and I ask that they be included in the record.